DEPARTMENT OF DEFENSE WAGE COMMITTEE

(Appropriated/Nonappropriated Fund) Summary of 2433rd Meeting – April 11, 2017

Purpose of Meeting: To consider the following:

NONAPPROPRIATED FUND

- 1. Onslow, North Carolina (Wage Change)
- 2. San Juan/Guaynabo, Puerto Rico (Wage Change)

APPROPRIATED FUND

- 3. Sacramento, California (Full Scale)
- 4. Stockton, California (Full Scale)
- 5. Meridian, Mississippi (Full Scale)
- 6. Salinas-Monterey, California (Wage Change)
- 7. Lexington, Kentucky (Wage Change)
- 8. Memphis, Tennessee (Wage Change)

ADDED ITEMS NONAPPROPRIATED FUND

- 9. McLennan, Texas (Survey Specifications)
- 10. Jefferson, New York (Survey Specifications)
- 11. Niagara, New York (Survey Specifications)

APPROPRIATED FUND

12. Milwaukee, Wisconsin (Survey Specifications)

The meeting was closed to the public on the basis of a determination under section 10(d) of the Federal Advisory Committee Act (Public Law 92-463) that the closing is necessary because matters considered relate to the internal personnel rules and practices of the Department of Defense and the wage survey data considered by the Committee in the development of FWS schedule recommendations have been obtained from private industry with the guarantee of confidentiality (5 USC 552b).

Alt. Chairman: Mr. Eric Clayton

Alt. DFO: Mr. Karl Fendt Acting Chief, Wage & Salary Division

Members: Mr. Gary Buck (Army) Ms. Deanna Rightmyer (DLA)

Ms. Rosemary Meriwether (Navy) Absent (AFGE)

Mr. Jason Munro (Air Force) Mr. Paul O'Connor (IBEW)

Technical Staff:

Mr. William Becht	NAF Presenter	Mr. Brian Bauer	AF Presenter
Ms. Karen Kurian	NAF Recorder	Ms. Stacy Nelson	AF Recorder
Ms. Mary Quinilty	NAF Observer	Ms. Kieu Nguyen	AF Observer
		Ms. Emily Miskovic	AF Observer

Proceedings: The meeting convened at 10:00 a.m. at 4800 Mark Center Drive, Room 05K25, Alexandria, Virginia.

NONAPPROPRIATED FUND

(1) Onslow, North Carolina (Wage Change) (Becht)

The wage change exhibits were distributed and reviewed. The Staff-proposed line, Frequency-All Data, provides an average increase of 1.66% or 23 cents per hour. Application of CPM 2016-22 results in an average increase over the rates in effect of 2.38% or 31 cents per hour for the RUS locality wage area. The Committee adopted the Staff-proposed line by consensus.

(2) San Juan/Guaynabo, Puerto Rico (Wage Change) (Becht)

The wage change exhibits were distributed and reviewed. The Staff-proposed line, Frequency-All Data, provides an average increase of 2.06% or 23 cents per hour. Application of CPM 2016-22 results in an average increase over the rates in effect of 2.10% or 23 cents per hour for the RUS locality wage area. The Committee adopted the Staff-proposed line by consensus.

APPROPRIATED FUND

(3) Sacramento, California (Full Scale) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The Staff-proposed payline is the Frequency (All Data) line. <u>Data-Fit by Job Average</u>: Eight of the 18 survey job averages with 1,336 samples representing 26.05% of the data fit the unit line, and the remaining 10 with 3,792 samples representing 73.95% of the data fit the frequency line. <u>Data-Fit by Grade Average</u>: Five of the 10 grade weighted averages with 1,298 samples representing 7 jobs and 25.31% of the data fit the unit line, and the remaining 5 with 3,830 samples representing 11 jobs and 74.69% of the data fit the frequency line. The trend lines do not cross. The Staff recommended the frequency as the best-fit wage line.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.15 per hour at grade 1 to \$0.97 per hour at grade 15 with an average of \$0.5619 per hour, or 2.19%. Application of CPM 2016-22, dated 27 December 2016, for the Sacramento-Roseville, CA-NV GS locality for FY 2017 is \$0.5773 per hour, or 2.39%. The average lag for FY 2017 is \$1.4820, or 6.01%. Application of CPM 2016-22, dated 27 December 2016, for the Rest of the U.S. GS

locality for FY 2017 is \$0.5600 per hour, or 2.38%. The average lag for FY 2017 is \$2.0846, or 8.67%.

MOTION: Mr. Munro moved, seconded by Mr. Buck, that the Staff-proposed

schedules be recommended for adoption.

<u>VOTE</u>: The motion passed by unanimous vote.

(4) Stockton, California (Full Scale) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The Staff-proposed payline is the Frequency (All Data) line. <u>Data-Fit by Job Average</u>: Seven of the 15 survey job averages with 1,721 samples representing 55.82% of the data fit the unit line, and the remaining 8 with 1,362 samples representing 44.18% of the data fit the frequency line. <u>Data-Fit by Grade Average</u>: Three of the 8 grade weighted averages with 173 samples representing 3 jobs and 5.61% of the data fit the unit line, and the remaining 5 with 2,910 samples representing 12 jobs and 94.39% of the data fit the frequency line. The trend lines cross between grades 2 and 3. The Staff recommended the frequency as the most representative wage line.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.19 per hour at grade 1 to \$0.49 per hour at grade 15 with an average of \$0.3373 per hour, or 1.39%. Application of CPM 2016-22, dated 27 December 2016, for the Rest of U.S. GS locality for FY 2017 is \$0.5400 per hour, or 2.33%. The average lag for FY 2017 is \$0.8246, or 3.47%. Application of CPM 2016-22, dated 27 December 2016, for the San Jose-San Francisco-Oakland, CA GS locality for FY 2017 is \$0.6866 per hour, or 2.82%. There is no lag for FY 2017.

MOTION: Ms. Rightmyer moved, seconded by Mr. Buck, that the Staff-proposed

schedules be recommended for adoption.

<u>VOTE</u>: The motion passed by unanimous vote.

(5) Meridian, Mississippi (Full Scale) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The Staff-proposed payline is the Unit (All Data) line. <u>Data-Fit by Job Average</u>: Seven of the 11 survey job averages with 261 samples representing 62.89% of the data fit the unit line, and the remaining 4 with 154 samples representing 37.11% of the data fit the frequency line. <u>Data-Fit by Grade Average</u>: Two of the 6 grade weighted averages with 261 samples representing 7 jobs and 62.89% of the data fit the unit line, and the remaining 4 with 154 samples representing 4 jobs and 37.11% of the data fit the frequency line. The trend lines cross between grades 4 and 5. The Staff recommended the unit as the best-fit wage line.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.19 per hour at grade 1 to \$0.87 per hour at grade 15 with an average of \$0.5373 per hour, or 2.33%.

Application of CPM 2016-22, dated 27 December 2016, for the Rest of U.S. GS locality for FY 2017 is \$0.4926 per hour, or 2.35%. The average lag for FY 2017 is \$2.1106, or 9.85%.

MOTION: Mr. Buck moved, seconded by Ms. Meriwether, that the Staff-

proposed schedule be recommended for adoption.

<u>VOTE</u>: The motion passed by unanimous vote.

(6) Salinas-Monterey, California (Wage Change) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.14 per hour at grade 1 to \$0.23 per hour at grade 15 with an average of \$0.1866 per hour, or 0.80%. Application of CPM 2016-22, dated 27 December 2016, for the San Jose-San Francisco-Oakland, CA GS locality for FY 2017 is \$0.6800 per hour, or 2.82%. There is no lag for FY 2017.

The Staff-proposed schedule was adopted by consensus.

(7) Lexington, Kentucky (Wage Change) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.11 per hour at grade 1 to \$0.65 per hour at grade 15 with an average of \$0.3813 per hour, or 1.70%. Application of CPM 2016-22, dated 27 December 2016, for the Rest of U.S. GS locality for FY 2017 is \$0.4886 per hour, or 2.36%. The average lag for FY 2017 is \$1.6400, or 7.75%.

The Staff-proposed schedule was adopted by consensus.

(8) Memphis, Tennessee (Wage Change) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.03 per hour at grade 1 to \$0.49 per hour at grade 15 with an average of \$0.2606 per hour, or 1.20%. Application of CPM 2016-22, dated 27 December 2016, for the Rest of U.S. GS locality for FY 2017 is \$0.4640 per hour, or 2.18%. The average lag for FY 2017 is \$0.1339, or 0.61%.

The Staff-proposed schedule was adopted by consensus.

ADDED ITEMS:

NONAPPROPRIATED FUND

(9) McLennan, Texas (Survey Specifications) (Becht)

The survey specifications were distributed and reviewed. The Committee adopted the survey specifications by consensus.

(10) Jefferson, New York (Survey Specifications) (Becht)

The survey specifications were distributed and reviewed. The Committee adopted the survey specifications by consensus.

(11) Niagara, New York (Survey Specifications) (Becht)

The survey specifications were distributed and reviewed. The Committee adopted the survey specifications by consensus.

APPROPRIATED FUND

(12) Milwaukee, Wisconsin (Survey Specifications) (Bauer)

The proposed survey specifications were distributed and reviewed. There were no significant changes to the proposed survey specifications from 2015.

The Committee adopted the survey specifications as presented and by consensus.

The meeting adjourned at 10:30 a.m.

Eric Clayton Alt. Chairman

DoD Wage Committee